

Message Text

LIMITED OFFICIAL USE

PAGE 01 TOKYO 05788 101129 Z

12

ACTION EB-11

INFO OCT-01 EA-11 ADP-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 IO-12 L-03 RSR-01 INRE-00

SSO-00 /059 W

----- 024027

O 101010 Z MAY 73

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 3759

LIMITED OFFICIAL USE TOKYO 5788

E. O. 11652: N/ A

TAGS: ETRN, JA, US

SUBJECT: BILATERAL TALKS ON RATES AND CHARTERS

1. IN OPENING SESSION TWO DELS AGREED TO CONSIDER RATES QUESTION FIRST. JAPANESE CHAIRMAN READ LONG AND CONFUSING STATEMENT WHICH, AFTER INTENSIVE QUESTIONING BOILS DOWN TO FOUR ELEMENTS. WASHINGTON SHOULD NOTE THAT PROBLEM COMPLICATED BY FACT THAT YEN RATES HAVE NOT FOLLOWED REVALUATION STEPS AND FAVORABLE IMPACT OF REVALUATION HAS NOT BEEN PASSED ON TO JAPANESE TRAVELER. AT MOMENT AIRLINES SELL TICKETS IN YEN AT 308 TO THE DOLLAR AND REMIT AT 265, THUS GAINING WIND-FALL PROFIT S. JCAB APPARENTLY UNDER GREAT PRESSURE FROM GOVERNMENT TO REDUCE YEN BASED FARES.

2. FOUR ELEMENTS OF JAPAN DEL POSITION AS FOLLOWS:

A. UNDER JCAB PRESSURE JAL HAS PROPOSED TO IATA CARRIERS THAT YEN BASED FARE BE REDUCED BY 4 TO 5 PERCENT. GOJ WANTS US SUPPORT FOR THIS.

B. GOJ PREPARED TO ACCEPT THE 5 PERCENT INCREASE ON NORTH PACIFIC AND GUAM ROUTES DUE TO REVALUATION. (THEY TERM THIS A SURCHARGE.)

C. GOJ ADAMANTLY OPPOSED TO ANY INCREASE IN GENERAL LEVEL (BOTH DIRECTIONS) ON NORTH PACIFIC AND GUAM ROUTES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TOKYO 05788 101129 Z

D. IN RESPECT CARGO RATES GOJ PREPARED TO ACCEPT 3 PERCENT INCREASE IN GENERAL CARGO RATES (WHICH THEY SAY IS CONTAINED IN IATA PROPOSED AGREEMENT) SO LONG AS YEN BASED CARGO RATES ARE FIRST REDUCED BY 4 TO 5 PERCENT.

3. APPRECIATE ANY COMMENTS ON ABOVE FOUR POINTS, PARTICULARLY WITH RESPECT TO POSSIBLE US SUPPORT FOR REDUCTION IN YEN BASED FARES. (SUCH DECREASE WOULD APPEAR TO BE CONSISTENT WITH USG OBJECTIVE OF INCREASING TRAVEL TO US. PRESUMABLY ANY US SUPPORT WOULD HAVE TO BE EXPRESSED THROUGH US CARRIERS IN IATA CONSIDERATION OF JAL REQUEST. JAPANESE OPPOSITION TO INCREASE IN GENERAL FARE LEVEL SEEMS TO BE RELATED TO GENERAL GOVERNMENT OBJECTIVE TO KEEP PRICES DOWN ALTHOUGH JAPANESE DID INDICATE NOT APPROPRIATE TO INCREASE FARES WHILE CURRENCY SITUATION STILL UNCERTAIN.

4. APPRECIATE APPROPRIATE RESPONSE BY 0900 TOKYO TIME FRIDAY MAY 11.
INGERSOLL

LIMITED OFFICIAL USE
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 10 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TOKYO05788
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730541/aaaairse.tel
Line Count: 83
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 07 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Nov-2001 by smithrj>; APPROVED <27-Nov-2001 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980123
Subject: BILATERAL TALKS ON RATES AND CHARTERS
TAGS: ETRN, JA, US, ETRN
To: EB
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005